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Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY
HONORABLE DONALD H. STECKROTH
CASE NO. 09-10555(DHS)

In re:

TARRAGON CORPORATION, *et al.*,
Debtors-in-Possession.

Chapter 11
(Jointly Administered)

**NOTICE OF DEBTORS' MOTION
PURSUANT TO 11 U.S.C. §§ 362, 363
AND 364 (1) APPROVING POST-
PETITION FINANCING WITH UTA
CAPITAL LLC, (2) GRANTING LIENS
AND PROVIDING SUPERPRIORITY
ADMINISTRATIVE EXPENSE STATUS,
(3) MODIFYING THE AUTOMATIC
STAY, (4) SCHEDULING FINAL
HEARING PURSUANT TO FED. R.
BANKR. P. 4001, AND (5) GRANTING
OTHER RELATED RELIEF**

HEARING DATE AND TIME:
March ____, 2010, at __:__ a.m.

ORAL ARGUMENT REQUESTED

TO: All Parties-in-Interest

PLEASE TAKE NOTICE that on the date and time set forth in the Order Shortening Time served herewith, the undersigned, attorneys for Tarragon Corporation, *et al.*, the within debtors and debtors-in-possession (collectively, the Debtors"), shall move before the Honorable

Donald H. Steckroth, United States Bankruptcy Judge, at the United States Bankruptcy Court, Martin Luther King, Jr. Federal Building, 50 Walnut Street, Third Floor, Newark, New Jersey 07102, for entry of an interim Order pursuant to 11 U.S.C. §§ 362, 363 and 364 (1) approving post-petition financing with UTA Capital LLC, (2) granting liens and providing superpriority administrative expense status, (3) modifying the automatic stay, (4) scheduling a final hearing pursuant to Fed. R. Bankr. P. 4001, and (5) granting other related relief (the “Motion”).

PLEASE TAKE FURTHER NOTICE that in support of the Motion, the undersigned shall rely on the accompanying Verified Application, which set forth the relevant factual and legal bases upon which the requested relief should be granted. A proposed Interim Order granting the Motion also is submitted herewith.

PLEASE TAKE FURTHER NOTICE that unless objections are timely filed and served, the Motion shall be deemed uncontested in accordance with D.N.J. LBR 9013-1(a), and the relief requested may be granted without further notice or hearing.

PLEASE TAKE FURTHER NOTICE that the undersigned requests oral argument on the return date of the Motion.

COLE, SCHOTZ, MEISEL,
FORMAN & LEONARD, P.A.
Attorneys for Tarragon Corporation, *et al.*,
Debtors-in-Possession

By: /s/ Warren A. Usatine
Michael D. Sirota
Warren A. Usatine

DATED: March 25, 2010